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STATEMENTS ON FUNDING COMMITMENTS TO UNDP AND UNFPA

UNDP CORE FUNDING COMMITMENTS AND/OR ESTIMATES 1999 AND ONWARDS

I. INTRODUCTION

1. In order to restore growth and enhanced predictability to the core resource base of UNDP, and in line with General Assembly resolution 50/227, the Executive Board engaged in very intensive dialogue and negotiations throughout 1998 on the development of a sustainable funding strategy for UNDP. As a result, the Board approved the landmark decisions 98/23 on the UNDP funding strategy and 99/1 on the multi-year funding framework (MYFF).

2. In brief, in its decision 98/23, the Executive Board adopted an annual funding target for UNDP core resources of $1.1 billion and stressed the urgent need to achieve annual increases until the target is met. The Board reaffirmed the need to reverse the downward trend in core resources and to establish a mechanism to place UNDP core funding on a predictable basis. In this context, UNDP was requested to develop a MYFF that integrates programme objectives, resources, budget and outcomes with the objective of increasing core resources. In the same decision, the Board also recognized that overdependence on a limited number of donors carries risks for the long-term financial sustainability of UNDP and therefore urged all countries in a position to do so to increase their core contributions. Finally, the Board endorsed in decision 98/23 the ongoing efforts to enhance the impact of the advocacy and institutional profile of UNDP by strengthening its communication and information strategy.

3. In addition to reaffirming these elements, the Executive Board welcomed in its decision 99/1 the steps taken by UNDP and took note of the multi-year funding framework and reporting system developed by UNDP, as outlined in document DP/1999/CRP.4, which was presented to the Executive Board this past January at its first regular session.

4. Through these two decisions, the Executive Board has put in place legislation to develop a new funding system designed to generate a more dynamic and transparent dialogue on UNDP core funding and to facilitate greater volume and enhanced predictability through multi-year pledges. In decision 99/1, the Board confirmed that the first new funding meeting for UNDP would be held in April 1999, during the second regular session of the Executive Board, and would be open to all States members of UNDP, not only members of the Executive Board.

II. BACKGROUND

5. As was outlined in document DP/1999/CRP.4, it is envisioned that at each annual funding meeting organized in line with the MYFF: (a) the Administrator will make a global presentation of the main results UNDP achieved in the previous year in the results-oriented annual report (ROAR) and (b) members of the Programme will discuss total core contributions and related issues. A discussion of the ROAR during the special funding meeting would present an opportunity for members of the Programme to review results achieved and progress made towards reaching the annual funding target of $1.1 billion.

6. The only variation in this process concerns the first special funding meeting being held at the current session, which is taking place both before the MYFF has been presented to the Executive Board and without an accompanying results-oriented annual report. The MYFF will be presented to the Executive Board during its third regular session in September 1999 while the first ROAR will be presented during the second funding meeting to be held in April 2000 at the second regular session of the Board for that year. Consequently, as envisioned in decision 98/23, and as discussed during informal consultations, this first UNDP funding meeting in April 1999 will be of a transitional nature.

7. During this first UNDP funding meeting, the Executive Board may wish to address three of the five main elements of decision 98/23: volume of core resources; predictability; and reducing financial dependence on a limited number of donors. Discussion on the UNDP corporate communication and advocacy strategy in support of the UNDP funding strategy will take place at the annual session in June 1999 while, as already indicated, the MYFF will be presented during the third regular session 1999.

8. To prepare for the funding meeting, the Executive Board stipulated in decision 99/1 that all States members of UNDP should communicate in writing to the secretariat their voluntary core contributions for 1999 and onwards and a schedule of payments by the beginning of April 1999. While several members had communicated their firm 1999 contributions and, in some cases, their indicative contributions for 2000 and 2001 by the time of the printing of this conference room paper, a number of member countries were not yet in a position to do so. Consequently, in some cases, best estimates of 1999 contributions have been provided.

9. Table 1 forms the basis for the following summary presentation on total commitments and/or estimates for 1999 core contributions and for the discussion to be held by all States members on Thursday, 15 April 1999.

10. As already outlined in document DP/1999/CRP.4 and as discussed during informal consultations, table 1 shows for the donors of the Development Assistance Committee of the Organization for Economic Co-operation and Development (OECD/DAC) the core contribution committed by (or estimated for) each individual country for the current year (in both local currency terms and United States dollar equivalent) preceded by actual core contributions made in the previous two years i.e., 1997 and 1998 (reflected as actual income received), and indicative core contributions for the two future years

- 2000 and 2001 - as a multi-year pledge if so communicated. For programme countries, the table outlines total payments provided to UNDP in 1997 and 1998 (reflected as actual income received) split into government local office costs (GLOC) payments and net core contributions after the application of the accounting linkage (see chapter V). Pledges received to date for core contributions and for GLOC for 1999, as well as indicative pledges for the two future years - 2000 and 2001 - are also included in table 1 as a multi-year pledge if so communicated.

III. VOLUME

11. With respect to volume, it is currently estimated that the total volume of core resources for 1999, as expressed in Unites States dollars using official United Nations exchange rates as of 1 April 1999, is $737.97 million while the final core resource figure for 1998 is $750.93 million (expressed as actual income received).

12. With regard to the first objective of stopping the decline in core resources that has occurred over the last four years (1995-1998), the current amount of core resources for 1999 is, upon initial examination, slightly less than that for 1998. However, upon further inspection, it appears very likely that the downward trend should in fact stop this year.

13. First, it should be noted that financial figures presented as core contributions made in 1997 and 1998 are based on actual income received in the respective year rather than contributions pledged for that year (which had been the established practice). As discussed during the course of the Ad Hoc Open-ended Working Group on a Funding Strategy for UNDP and reinforced during negotiations regarding decision 98/23, it is important for UNDP to move towards presenting fully integrated financial statistical information on the basis of income received; this is also the spirit of the proposal that the integrated resource framework form an integral part of the MYFF.

14. As indicated above, however, this first UNDP funding meeting is of a transitional nature, not least in moving from a system in which pledged amounts for a given year are communicated irrespective of when payment of the pledge is received to one based on actual income received; consequently, in such a transition there will be certain distortions that need to be borne in mind.

15. Specifically, several of the 1998 income figures in table 1 reflect not only the 1998 core pledge but also in many cases either full or partial pledges for previous years, thereby creating a distortion when comparing 1999 with 1998. For example, the 1998 amounts shown as core contributions for three contributing countries - Australia, India and Sri Lanka - are in fact combined core pledges for two years. In addition, a number of other countries made partial payment for prior years in 1998.

16. On the other hand, in the case of France, a portion of its 1998 pledge was paid in early 1999; this may also be the case for other contributors. The net effect of taking these distortions into account is that the level of the 1998 resources that were pledged as 1998 core contributions is virtually at the same level as those pledged (or estimated) as 1999 core contributions.

17. Second, as shown in table 1, while several letters of commitment were received, a number of estimates have had to be made for several contributing countries. As further outlined in chapter V, this is particularly the case for many programme countries since their net core contributions are not known until after the application of the accounting linkage (see paragraph 36 below). In the case of a few contributing countries, it is reasonable to expect that a higher level of core contributions than that indicated in table 1 will be contributed in 1999. Against this background, it is foreseen that the level of 1999 core contributions will at least reach, if not exceed, the level of 1998 core contributions by year-end.

18. Furthermore, it must also be taken into consideration that the exchange rates used for this presentation are the official United Nations rates as of 1 April 1999, which coincided with a very strong United States dollar. Thus, if the official United Nations exchange rates of one year ago (that is, 1 April 1998) were applied to the current estimated total amount of 1999 core contributions in local currency terms, the total United States dollar equivalent value of 1999 core contributions would be $746.92 million or, expressed as a percentage, 1.2 per cent higher than the current estimated level (and a shortfall of 0.53 per cent over the level of core contributions for 1998 without accounting for distortion). Similarly, if the official United Nations exchange rates of two years ago (that is 1 April 1997) were applied to 1999 core contributions in local currency terms, the United States dollar equivalent would be $785.98 million or 6.5 per cent higher than the current level (and an increase of 4.7 per cent over the actual total 1998 core contribution). As discussed in the context of the work of the Ad Hoc Open-ended Working Group, it is very important that such fluctuations be minimized. Concrete actions that all member countries can follow to enable UNDP to protect better the value of core contributions are discussed in more detail in chapter IV.

19. While it appears that the decline in UNDP core resources should stop this year, the Executive Board has, in addition to reaffirming the need to reverse the trend, also stressed in its decision 98/23 the urgent need to achieve annual increases in the mobilization of core resources until the target of $1.1 billion is met.

20. Against this background, it is of concern that certain major OECD/DAC donors have reduced their 1999 core contributions to UNDP, in some cases significantly, from the level of their 1998 contributions.

21. On the other hand, it is very significant that, in line with current estimates, for the first time in seven years, as many as 12 OECD/DAC donors will increase their pledge or commitment to core resources in local currency terms over that for 1998. While a number of programme countries have not yet confirmed their 1999 contribution (and may not be in a position to know their net core contribution until after application of the accounting linkage with GLOC), eight programme countries have also already indicated an increase in their 1999 core contributions. In addition, it is currently estimated that 23 programme countries and six OECD/DAC countries will maintain their core contributions at the same level as that for in 1998 while another five programme countries have indicated their intention to resume providing core contributions to UNDP.

IV. PREDICTABILITY

22. In order to enhance predictability, and as outlined in Executive Board decision 98/23, States members are encouraged to provide multi-year pledges as follows: a firm funding commitment for the current year (1999); for those in a position to do so, a firm contribution or indication of the contribution for the following year (in this case, (2000); and a firm or tentative contribution for the third year (2001) if possible.

23. A very encouraging sign of partnership and the commitment of member countries to a new and sustainable funding strategy for UNDP is the number of member countries, including a number of programme countries, that provided a multi-year pledge despite the transitional nature of this first funding meeting. As shown in table 1, at the time of writing the present conference room paper, a total of 13 contributing countries - Australia; Bangladesh; Cuba; Czech Republic; Ethiopia; Ghana; Ireland; Italy; Luxembourg; Nepal; Sweden; United Kingdom; United States - have made indicative contributions for 2000 and all but one of these for 2001. In most of these cases, the amount indicatively pledged for 2000 and 2001 is at least at the same level as that of 1999 if not higher (subject to government or parliamentary approval). While many member countries were unable to provide a multi-year pledge this year, some indicated that they were making concerted efforts to revise domestic legislation so that they would be in a position to commit to multi-year pledges in April 2000.

24. In addition to providing for multi-year pledges, the Executive Board also determined in its decision 98/23 that the predictability of core resources could also be enhanced by having member countries announce specific payment schedules during the funding meeting (with early payment very much encouraged; see paragraph 12 (b) (iii) of decision 98/23). Table 2 shows the specific payment schedules for 1999 core contributions for those contributing countries that provided one to the secretariat by 9 April 1999.

25. By providing for firm pledges and payment schedules for contributions, the new funding arrangements being established should significantly assist UNDP in protecting the United States dollar value of pledged contributions through approved hedging strategies. It may be recalled from earlier presentations made during 1998 to the Ad Hoc Open-ended Working Group, that foreign-exchange risks resulting from the delay between the time of the pledge and the date of actual receipt of a contribution can be minimized through the use of hedge instruments in the foreign exchange markets. Such instruments provide UNDP with the ability to contract with counter-party banks to sell pledged contributions in any given currency for another currency at an agreed rate of exchange for future delivery. By locking in the value of the contract, the United States dollar value of the contribution can be established and will not be subject to fluctuations, positive or negative, from that point forward.

26. A hedge, as described above, represents a contractual obligation. If UNDP were not able to meet its obligation to deliver the sold currency on the

agreed date, there would be costs associated with breaking the contractual obligation. This has constrained the ability of UNDP to enter into timely hedge arrangements in the past since contribution amounts and schedules for payment were often not known early enough for action to be taken.

27. While UNDP has engaged in hedging activities in previous years, it has been limited by delays in the receipt of firm indications as to the amounts and timing of the payment of pledges. To be most effective, hedges should be placed as early in the year as possible and set to match closely with the actual payment dates. As a result of the firm information received to date in accordance with the new funding strategy, UNDP is currently in a position to protect the value of up to $370 million of 1999 pledges and could increase that as soon as estimated amounts are confirmed. This compares to amounts hedged of $210 million in 1997, and $456 million in 1998. The 1999 hedges will be more effective as a result of earlier placement and on the basis of more precise information received as to scheduled payment dates. Countries not yet able to provide such specifics can therefore greatly assist UNDP by endeavouring to do so as early as possible after this first funding meeting of the Executive Board.

V. REDUCING OVERDEPENDENCE ON A LIMITED NUMBER OF DONORS

28. Through its decisions 98/23 and 99/1, the Executive Board recognized that overdependence on a limited number of donors carries risks for the long-term financial sustainability of UNDP and urged all donors and programme countries in a position to do so to increase their contributions to core resources.

29. As indicated above, while a number of countries had not yet confirmed their contribution by 9 April 1999, based on commitments (and/or best estimates) a total of at least 12 OECD/DAC donor and eight programme countries will increase their contributions in core resources in local currency terms.

30. That being said, it is clear that there are a number of risks when there is an overdependence of a multilateral organization such as UNDP on a limited number of donors. It is currently estimated that the top ten donors to UNDP will provide 85 per cent of the total 1999 level of core resources. This situation is further compounded by the fact that per capita contributions to UNDP core resources vary significantly from one donor to another.

31. It is important to note that programme countries contribute to reducing overdependence in several important ways. In addition to providing substantial amounts of cost-sharing resources to UNDP programmes in their respective countries on a frequent basis, programme country Governments also provide to UNDP: (a) contributions to UNDP core resources; (b) government cash contributions towards local office costs; and (c) government in-kind contributions e.g., the provision of rent-free office premises.

32. The total amount of core contributions from programme countries (that is, after the application of the accounting linkage to GLOC, see paragraph 36), has increased in the last three years from $18.06 million in 1996 to

$21.66 million in 1997 to $24.69 million in 1998 (all expressed as actual income received), despite the strong US dollar.

33. While 1999 contributions to UNDP core resources for several programme countries are not yet confirmed, it is estimated that the total amount will increase this year to approximately $26 million. This would translate into a percentage increase in total core contributions by programme countries from 2.13 per cent in 1996 to an estimated 3.6 per cent in 1999. This is a positive trend - one that shows the commitment of programme countries and their partnership with UNDP.

34. In addition, in accordance with the provisions of the standard basic agreements that govern UNDP operations in programme countries, host Governments are expected to contribute towards the local cost of country offices. In its decision 84/9, the Governing Council, recognizing that local economic conditions may impact on the ability of programme countries to meet their obligation to cover office costs, authorized the Administrator to waive in part the obligation to contribute when economic conditions so warranted. In this connection, a system of waivers based on per capita GNP was developed. During every programming cycle, the waiver system was adjusted according to the latest per capita GNP, as applicable to the allocation of programme resources.

35. GLOC obligations are based on actual expenditures and not on ex ante budget estimates; initial GLOC targets are not available until April or May (which explains why most programme countries are not yet in a position to make a GLOC pledge). In arriving at these targets the in-kind contributions are taken into account (table 3 provides the in-kind contributions registered for 1997 and 1998). The initial GLOC targets are subject to retroactive adjustment in accordance with the actual expenditures.

36. The collection of GLOC obligations, after in-kind contributions, has been achieved through two distinct mechanisms. The first mechanism concerns direct cash contributions and the second mechanism is the application of the accounting linkage to voluntary contributions as authorized by the Governing Council in its decision 84/9. Through this decision, the Governing Council authorized the Administrator to establish from 1 January 1985 an accounting linkage of voluntary contributions and contributions to local office costs, in such a manner that contributions are first accounted for against the local office costs. The final GLOC targets form the basis for the application of the accounting linkage.

37. As indicated in table 1, programme countries made total GLOC payments in 1997 of $20.72 million (after application of the accounting linkage). Although GLOC payments declined in 1998 to $18.42 million, total government in-kind contributions, as indicated in table 3, increased from $5.9 million in 1997 to $7.1 million in 1998, an increase of 20 per cent. Overall contributions from programme countries, i.e., the total of net core contributions, GLOC payments and in-kind contributions, increased from a total of $48.36 million in 1997 to a total of $50.17 million in 1998, an increase of 3.74 per cent.

VI. CONCLUSION

38. This first UNDP funding meeting constitutes an important step towards a new core funding system in line with the provision of Executive Board decisions 98/23 and 99/1. While the total amount of core resources currently estimated for 1999 is slightly below the total 1998 level, it is estimated that by the end of the year the recent downward trend should have stopped. It is also estimated that for the first time in seven years as many as 12 OECD/DAC donors will increase their 1999 core contribution in local currency terms over that of the previous year; it is also estimated that another six OECD/DAC donors will maintain their 1998 level of core contribution in local currency terms in 1999. While several programme countries are not yet in a position to confirm their 1999 core contribution, it already appears that eight programme countries will provide an increase in 1999, another 23 programme countries will maintain their 1999 core contribution at the 1998 level and five programme countries will resume providing a core contribution in 1999.

39. The reversal in the downward trend by the end of 1999 should lead to progress towards the annual funding target of $1.1 billion, so that a concerted pattern of growth towards the target can be evidenced in 2000 when the second UNDP funding meeting is fully aligned with the MYFF cycle.

40. In terms of enhancing predictability, a total of 13 members of the Programme made indicative multi-year pledges, 12 for both 2000 and 2001 and at least at the level of their 1999 contribution. Given the continued strength of the United States dollar, it is very important that those member countries that have not yet provided a schedule of payments do so as soon as possible after this first funding meeting so that UNDP can engage in hedging activities to protect the value of the pledge.

41. Increased efforts must be made to reduce overdependence on a limited number of donors. Overdependence is a financial risk to UNDP core activities since it concentrates exposure and leaves UNDP with limited means for offsetting year-to-year fluctuations in individual contributions.

42. Finally, in the context of the partnership and the strong sense of shared responsibility that has characterized the development, approval and now implementation of Executive Board decisions 98/23 and 99/1, it is important that the first UNDP funding meeting be used as a base upon which to build. Lessons learned in preparing the meeting and from the dialogue that will take place during the meeting itself need to be discussed and reflected upon in preparation for the next UNDP funding meeting, which is to be held in April 2000 and is to be integrated with the MYFF cycle.

Table 1. Commitments/estimates of contributions to UNDP core resources: 1999-2001 and income to UNDP core resources and government local office costs: 1997-1998 a/

1.a. OECD/DAC Members	1997 income received			1998 income received			1999 PLEDGES & ESTIMATES b/					2000 Pledges & Estimates b/		2001 Pledges & Estimates b/	
	Local currency (in millions)	US $	Percentage shar of total core contribution	Local currency (in millions)	US $	Percentage shar of total core contribution	Local currency (in millions)	US $	Percentage shar of total core contribution	% increase in local currency	% increase in US $	Local currency (in millions)	US $	Local currency (in millions)	US $
Australia	-	-	0.0%	13.2 c	8,257,348 c	1.1%	6.7 * d	4,213,836	0.6%	0.0%	-5.1%	6.7 *	4,213,836	6.7 *	4,213,836
Austria	136.90	11,452,550	1.5%	125.9	10,052,008	1.3%	143.8 d	11,214,385 d	1.5%	0.0%	-2.4%				
Belgium	660.00	18,591,549	2.4%	454.2	12,245,283	1.6%	464.2	12,346,795	1.7%	2.2%	0.8%				
Canada	41.25	29,783,782	3.9%	41.3	29,290,780	3.9%	41.3 *	27,350,993	3.7%	0.0%	-6.6%				
Denmark	508.55	76,330,308	10.0%	550.0	84,550,097	11.3%	575.0 *	85,324,232	11.6%	4.5%	0.9%				
Finland	61.00	11,888,104	1.6%	62.0	11,453,273	1.5%	65.0	11,729,845	1.6%	4.8%	2.4%				
France	80.00	13,606,072	1.8%	31.6	5,146,580	0.7%	100.0 e	16,357,189 e	2.2%	55.0%	51.6%				
Germany	120.00	69,379,932	9.1%	100.0	56,825,900	7.6%	75.0 *	41,144,813	5.6%	-25.0%	-27.6%				
Ireland	1.85	2,956,760	0.4%	2.2	3,084,412	0.4%	2.42	3,296,958	0.4%	10.0%	6.9%	2.42	3,296,958	2.42	3,296,958
Italy	32,000.0	19,553,699	2.6%	19,000.0	10,734,463	1.4%	22000.0	12,191,067	1.7%	15.8%	13.6%	22000.0 *	12,191,067	22000.0 *	12,191,067
Japan	-	99,271,200	13.0%	-	79,896,000	10.6%	-	79,896,000	10.8%	-	0.0%				
Luxembourg	15.0	431,034	0.1%	20.0	526,535	0.1%	24	638,352	0.1%	20.0%	21.2%	30	797,940	30	797,940
Netherlands	170.0	87,480,816	11.5%	165.0	82,335,454	11.0%	150.0	73,033,216	9.9%	-9.1%	-11.3%				
New Zealand	4.4	3,034,483	0.4%	4.4	2,573,099	0.3%	4.4 *	2,340,426	0.3%	0.0%	-9.0%				
Norway	524.0	75,820,492	10.0%	560.0	74,590,245	9.9%	550.0	69,912,292	9.5%	-1.8%	-6.3%				
Portugal	-	1,200,000	0.2%	-	1,400,000	0.2%	-	1,600,000	0.2%	-	14.3%				
Spain	841.0	5,800,000	0.8%	741.0	5,292,857	0.7%	815 *	5,255,623	0.7%	10.0%	-0.7%				
Sweden	460.0	61,162,080	8.0%	470.0	59,968,102	8.0%	490.0	59,393,939	8.0%	4.3%	-1.0%	490.0	59,393,939	490.0	59,393,939
Switzerland	56.0	38,620,690	5.1%	56.0	41,791,045	5.6%	56.0 *	37,583,893	5.1%	0.0%	-10.1%				
United Kingdom	24.0	38,850,874	5.1%	30.0	50,000,000	6.7%	35.0	56,634,304	7.7%	16.7%	13.3%	35.0	56,634,304	35.0	56,634,304
United States	-	72,350,000	9.5%	-	95,548,465	12.7%	-	100,000,000	13.6%	-	4.7%		80,000,000		
Subtotal DAC		737,984,425	96.9%		725,961,948	96.6%		711,488,159	96.4%		-1.9%				
Others		23,400,613	3.1%		25,363,455	3.4%		26,509,052	3.6%		4.5%				
TOTAL UNDP		760,985,038	100.0%		750,825,491	100.0%		737,997,211	100.0%		-1.7%				
1.b. Non-DAC															
Andorra		8,000	0.0%		0	0.0%			0.0%						
Cyprus			0.0%		0	0.0%			0.0%						
Greece		788,346	0.1%	70,165,343	276,296	0.0%	70,000,000	239,464	0.0%	-0.2%	-13.3%				
Holy See		2,500	0.0%		0	0.0%			0.0%						
Iceland	31,800,000	767,857	0.1%	22,100,000	364,910	0.0%	18,300,000	272,321	0.0%	-17.2%	-25.4%				
Liechtenstein	10,000	6,944	0.0%	10,000	6,849	0.0%	10,000	6,711	0.0%	0.0%	-2.0%				
Malta		148,934	0.0%		25,000	0.0%			0.0%						
Monaco	75,000	13,158	0.0%		0	0.0%	70,000	11,450	0.0%						
Subtotal non-DAC		1,735,739	0.2%		673,055	0.1%		529,946	0.1%						

* Based on informal indications provided by the donor or UNDP's best estimates; final commitments were not available before finalization of this table.

Table 1 (continued)

1.c. Programme countries by region	1997 income received			1998 income received			1999 Pledges received b/ as per April 9, 1999		2000 Pledges received b/ as per April 9, 1999		2001 Pledges received b/ as per April 9, 1999	
	Total income a/ US$	Net core contribution a/ US$	GLOC payments US$	Total income a/ US$	Net core contribution a/ US$	GLOC payments US$	Core pledges US$	GLOC pledges US$	Core pledges US$	GLOC pledges US$	Core Pledges US$	GLOC pledges US$
Africa												
Benin	256,173	4,500	251,673	304,371	0	304,371	5,000					
Botswana	41,273	0	41,273	436,716	0	436,716						
Burkina Faso	0	0	0	38,719	0	38,719						
Burundi	29,674	0	29,674	12,429	0	12,429						
Cameroon	37,234	0	37,234	0	0	0						
Central African Republic	23,810	0	23,810	0	0	0						
Ethiopia	148,938	0	148,938	152,257	0	152,257	144,928	7,594	144,928	7,594	144,928	7,594
Gambia	0	0	0	0	0	0	5,000					
Ghana	40,000	32,000	8,000	0	0	0	40,000		50,000		60,000	
Lesotho	105,352	0	105,352	412	0	412	21,417	57,878				
Madagascar	52,266	0	52,266	53,024	0	53,024						
Malawi	0	0	0	0	0	0	4,121					
Mali	11,726	0	11,726	0	0	0						
Mauritius	91,370	0	91,370	97,216	0	97,216						
Namibia	500	0	500	444,929	0	444,929						
Nigeria	0	0	0	286,677	0	286,677						
Rwanda	0	0	0	16,990	0	16,990						
Sao Tomé and Principe	0	0	0	45,931	0	45,931						
Seychelles	23,009	0	23,009	0	0	0						
South Africa	200,226	0	200,226	174,081	0	174,081	144,695					
Swaziland	144,227	0	144,227	133,533	0	133,533						
Tanzania, United Republic of	8,453	0	8,453	0	0	0						
Zambia	0	0	0	1,976	0	1,976						
Zimbabwe	112,777	0	112,777	0	0							
Subtotal	**1,327,008**	**36,500**	**1,290,508**	**2,199,261**	**0**	**2,199,261**	**365,161**	**65,472**	**194,928**	**7,594**	**204,928**	**7,594**
Arab States												
Algeria	266,319	0	266,319	100,000	0	100,000	100,000					
Bahrain	460,000	0	460,000	566,639	56,000	510,639						
Djibouti	1,000	0	1,000	0	0	0	1,000					
Egypt	1,121,994	355,080	766,914	422,059	196,059	226,000						
Iraq	858,020	0	858,020	0	0	0						
Jordan	509,887	157,887	352,000	240,113	0	240,113	284,735	335,420				
Kuwait	570,000	568,000	2,000	0	0	0	570,000					
Lebanon	389,000	0	389,000	993,177	0	993,177						
Libyan Arab Jamahiriya	665,910	0	665,910	0	0	0						
Morocco	466,705	16,805	449,900	657,915	191,886	466,029						
Saudi Arabia	2,359,967	1,919,067	440,900	2,000,000	2,000,000	0	2,000,000					
Syrian	99,095	0	99,095	96,942	0	96,942						
Tunisia	318,584	0	318,584	467,420	161,720	305,700	223,478	130,435				
United Arab Emirates	685,798	0	685,798	1,358,772	570,800	787,972						
Yemen	40,152	0	40,152	201,062	0	201,062	40,000					
Subtotal	**8,852,431**	**3,016,839**	**5,835,592**	**7,104,099**	**3,176,465**	**3,927,634**	**3,219,213**	**465,855**	**0**	**0**	**0**	**0**
Asia/Pacific												
Bangladesh	25,229	0	25,229	322,746	65,646	257,100	300,000	22,746	400,000		400,000	
Bhutan	53,354	0	53,354	67,340	0	67,340						
China	3,164,719	2,925,419	239,300	3,252,371	2,950,000	302,371	3,000,000	302,297				
Cook Islands	26,016	0	26,016	0	0	0						
Democratic People's Republic of Korea		0		140,187	8,487	131,700						
Fiji	48,686	0	48,686	43,825	0	43,825	34,021	9,639				
Hong Kong	48,331	37,000	11,331	0	0	0						
India	4,394,366	4,299,066	95,300	9,030,076	8,921,784	108,292	4,500,000					

Table 1 (continued)

1.c. Programme countries by region	1997 income received			1998 income received			1999 Pledges received b/ as per April 9, 1999		2000 Pledges received b/ as per April 9, 1999		2001 Pledges received b/ as per April 9, 1999	
	Total income v/ US$	Net core contribution v/ US$	GLOC payments US$	Total income v/ US$	Net core contribution v/ US$	GLOC payments US$	Core pledges US$	GLOC pledges US$	Core pledges US$	GLOC pledges US$	Core Pledges US$	GLOC pledges US$
Indonesia	1,155,000	837,500	317,500	0	0	0						
Iran, Islamic Republic of	121,333	0	121,333	121,511	0	121,511						
Lao People's Democratic Republic	0	0	0	116	0	116	21,168					
Malaysia	416,546	16,246	400,300	385,000	118,500	266,500	385,000					
Maldives	102,500	0	102,500	120,011	10,000	110,011	7,500					
Micronesia	0	0	0	3,000	0	3,000						
Mongolia	79,559	0	79,559	92,727	0	92,727	17,000					
Myanmar	115,530	5,745	109,785	0	0	0	3,344					
Nepal	138,228	11,630	126,598	121,731	0	121,731	80,000		80,000		80,000	
Niue	20,302	1,400	18,902	20,316	0	20,316						
Pakistan	888,095	611,529	276,566	775,719	514,019	261,700	498,743					
Philippines	1,354,272	628,163	726,109	648,777	302,949	345,828	7,000	459,845				
Republic of Korea	3,393,508	2,527,308	866,200	2,534,445	1,833,345	701,100	2,250,000					
Samoa	59,100	0	59,100	46,068	6,000	40,068	6,000					
Singapore	255,000	255,000	0	300,000	300,000		300,000					
Sri Lanka	1,034,640	980,540	54,100	2,069,260	2,008,560 g/	60,700						
Thailand	1,678,100	732,700	945,400	1,879,323	984,423	894,900	865,112	413,644				
Tokelau Islands	18,953	0	18,953	48,992	0	48,992						
Tonga	15,000	0	15,000	15,000	0	15,000						
Vanuatu	0	0	0	5,000	0	5,000						
Viet Nam	408,789	25,850	382,939	26,884	0	26,884						
Subtotal	**19,015,156**	**13,895,096**	**5,120,060**	**22,670,445**	**18,023,733**	**4,646,712**	**12,272,887**	**1,208,171**	**480,000**	**0**	**480,000**	**0**
Latin America												
Anguilla	26,807	0	26,807	24,600	0	24,600						
Argentina	280,561	0	280,561	801,604	0	801,604						
Aruba	10,988	0	10,988	0	0	0						
Barbados	145,175	0	145,175	162,464	0	162,464						
Belize	37,879	0	37,879	50,505	0	50,505						
Bolivia	70,000	0	70,000	70,000	0	70,000	70,000					
Brazil	600,000	0	600,000	0	0	0						
British Virgin Islands	17,428	8,316	9,112	17,428	8,316	9,112						
Cayman Islands	0	0	0	18,800	0	18,800						
Chile	1,100,000	283,800	816,200	612,000	0	612,000	975,000	250,000				
Colombia	1,016,057	440,357	575,700	650,994	79,894	571,100	450,000	200,000				
Costa Rica	261,252	0	261,252	559,394	279,994	279,400						
Cuba	1,557,754	1,352,754	205,000	1,552,754	1,352,754	200,000	1,352,754	200,000	1,352,754	200,000	1,352,754	200,000
Dominican Republic	37,741	37,741		0	0							
Ecuador	0	0		111,281	0	111,281						
El Salvador	552,640	0	552,640	383,060	0	383,060						
Guatemala	98,325	0	98,325	251,362	0	251,362						
Guyana	60,002	16,142	43,860	58,343	14,160	44,183						
Haiti	83,795	0	83,795	477,990	0	477,990						
Honduras	45,279	0	45,279	71,106	0	71,106						
Jamaica	106,052	0	106,052	0	0							
Mexico	1,002,426	395,826	606,600	996,730	318,330	678,400						
Netherlands Antilles	18,836	0	18,836	0	0							
Nicaragua	0	0		198,000	40,000	158,000						
Panama	722,960	148,740	574,220	433,760	140,860	292,900						
Paraguay	227,679	0	227,679	40,213	0	40,213						
Peru	0	0		450,000	0	450,000						
Saint Kitts and Nevis	58,300	0	58,300	58,300	0	58,300						
Saint Lucia	46,000	2,200	43,800	51,800	0	51,800						

Table 1 (continued)

1.c. Programme countries by region	1997 income received			1998 income received			1999 Pledges received b/ as per April 9, 1999		2000 Pledges received b/ as per April 9, 1999		2001 Pledges received b/ as per April 9, 1999	
	Total income i/ US$	Net core contribution i/ US$	GLOC payments US$	Total income i/ US$	Net core contribution i/ US$	GLOC payments US$	Core pledges US$	GLOC pledges US$	Core pledges US$	GLOC pledges US$	Core Pledges US$	GLOC pledges US$
Saint Vincent	32,973	0	32,973	0	0							
Suriname	51,445	0	51,445	0	0							
Trinidad and Tobago	159,219	21,319	137,900	11,218	0	11,218						
Turks and Caicos	29,900	0	29,900	50,000	23,600	26,400						
Uruguay	0	0		263,000	0	263,000						
Venezuela	0	0		306,780	0	306,780						
Subtotal	**8,457,473**	**2,707,195**	**5,750,278**	**8,733,486**	**2,257,908**	**6,475,578**	**2,847,754**	**650,000**	**1,352,754**	**200,000**	**1,352,754**	**200,000**
Europe												
Belarus	123,543	0	123,543	100,001	0	100,001						
Bulgaria	0	0		152,457	5,722	146,735	1,014	50,000				
Czech Republic	239,521	239,521		243,902	243,902		170,020	21,252	255,030 h/		283,366 h/	
Estonia	68,027	0	68,027	73,529	0	73,529						
Latvia	143,426	0	143,426	146,736	0	146,736						
Lithuania	245,000	0	245,000	0	0							
Poland	420,603	230,279	190,324	510,761	291,667	219,094	394,737	200,000				
Republic of Moldova	26,600	0	26,600	0	0							
Romania	44,274	0	44,274	117,203	8,603	108,600	16,849	70,764				
Russian Federation	450,000	160,800	289,200	75,000	0	75,000	450,000					
Slovenia	0	0		2,031	0	2,031	1,417					
Turkey	2,899,707	1,378,644	1,521,063	1,530,000	688,400	841,600	770,000					
Ukraine	72,456	0	72,456	51,501	0	51,501						
Yugoslavia	0	0		9,743	0	9,743						
Subtotal	**4,733,157**	**2,009,244**	**2,723,913**	**3,012,864**	**1,238,294**	**1,774,570**	**1,804,037**	**342,017**	**255,030**	**0**	**283,366**	**0**
Estimate							**6,000,000** j/					
Total all regions	**42,385,225**	**21,664,874**	**20,720,351**	**43,120,155**	**24,696,400**	**18,423,755**	**26,509,052**	**2,731,515**	**2,282,712**	**207,594**	**2,321,048**	**207,594**

a/ Based on actual income received by UNDP in the respective calendar year rather than pledged contributions for that year

b/ Based on United Nations exchange rates as of 1 April 1999

c/ Australia did not make any payment as of 31 December 1997 for that year's pledge. Instead, it made two payments of A$6.5 million (equivalent to US$ 4.25 million) and A$6.7 million (equivalent to US$4.01 million) in 1998, which represents payment for both the 1997 and 1998 pledges respectively. With its 1999 pledge at A$6.7 million (equivalent to US$4.21 million), the level of contribution in local currency terms, is maintained at the 1998 level. However, based on the United Nations exchange rate as of 1 April 1999 the percentage increase in US dollar terms is approximately 5.08 per cent over the previous year

d/ As confirmed, Austria's pledge for 1999 is maintained at the 1998 level, i.e., ATS125.8 million, consequently, the table shows no percentage change in local currency terms for 1999. However, the amount shown for 1998 is actual income received and reflects part of the 1998 pledge as well as partial payment for previous years. As the final portion of Austria's 1998 pledge is expected to be received in 1999, the estimate shown for Austria for 1999 includes the remaining portion of the 1998 pledge plus the 1999 pledge

e/ France's pledge for 1998 was in the amount of Ffrs. 51.6 million, out of which a first payment of Ffrs. 31.6 million (equivalent to US$5.15 million) was received as of 31 December 1998. The remaining Ffrs.20 million (equivalent to US$3.48 million) was received on 5 February 1999 and will consequently be reflected as part of the income received in 1999 calendar year. Based on the actual 1998 pledge (Ffrs. 51.6 million, equivalent to US$ 8.63 million) and the 1999 pledge of Ffrs. 80 million (equivalent to US$13.09 million), the 1999 contribution represents an increase of 55.04 per cent in local currency terms and 51.63 per cent in US dollar terms. In terms of the increase of expected 1999 payment over actual income received in 1998, it will be 217 per cent in local currency terms and 218 per cent in US dollar terms

f/ India did not make any payment towards its 1996 pledge of US$4.39 million during the 1996 calendar year. Instead, it made two payments in 1998 of US$4.39 million and of US$ 4.5 million, which represent payments for the 1996 and 1998 pledges respectively. With the 1999 pledge at the level of US$ 4.5 million, India has maintained its pledge from 1998.

g/ Sri Lanka did not make any payment towards its 1996 pledge of US$1.03 million during the 1996 calendar year. Instead, it made two payments in 1998 of US$1.03 million each, which represents payments for the 1996 and 1998 pledges respectively

h/ Includes GLOC, for which no breakdown is provided

i/ Total income received from programme countries, which includes voluntary contributions as well as GLOC payments. Parts or all of initial voluntary contributions may be reflected as GLOC payments through the accounting linkage. The net core contribution reflects the voluntary contribution after application of the accounting linkage

j/ It is estimated that at least an additional US$ 6 million in core contributions will still be forthcoming from programme countries. This figure is based on UNDP estimates and on historical trends.

Source: DOF report, 431A for 1997-1998 and two-year pledging conference print-out of 1 April 1999

DRM/BREA
April 11, 1999

Table 2: Schedule of payments confirmed for 1999 commitments to UNDP core resources

Contributors	Schedule of payments
DAC donors	
Australia	Early July 1999.
Belgium	May 1999.
Finland	Estimated to be second quarter of 1999 (to be confirmed).
France	Before 30 April 1999.
Germany	No payment schedule was indicated, but one payment of DM.18.75 million (equivalent to US$10.93 million) received on February 15, 1999.
Ireland	IR£200,000 (equivalent to US$298,380) received in January 1999, the balance of IR£2.22 million will be transfered electronically before end March 1999.
Italy	July 1999.
Luxembourg	By end April 1999.
Netherlands	12 instalments, already made three payments of Dfls. 12.5 million (equivalent to US$ 6.45 million) received on February 2, 1999; Dfls. 12.5 million (equivalent to US$ 6.45 million) received on February 5, 1999; and Dfls. 12.5 million (equivalent to US$ 6.01 million) received on April 1, 1999.
Norway	Four equal instalments. First payment of Nkrs.137.50 million (equivalent US$18.2 million) received in January 1999. Second payment of Nkrs.135.5 million is expected by end April 1999.
Sweden	Two equal instalments, first payment of Skr.245 million received in March 1999. Final payment will be made in September 1999.
United Kingdom	Beginning April 1999.
United States	$77 million received on April 5, 1999.
Programme countries	
Bulgaria	End April 1999.
Czech Republic	End April 1999.
Ghana	First half of 1999 (will include both 1998 and 1999 payments).
Nepal	1999 pledge will be paid in April 1999. For the 2000 and 2001 pledges, payment will be made in January each year.
Pakistan	Second quarter of 1999 (to be confirmed).
Republic of Korea	Second quarter of 1999.
Romania	Second half of 1999.
Turkey	Fall of 1999.

Source: Based on official letters received by UNDP (DRM/BREA) as of 9 April 1999. Supplementary information provided by UNDP Comptroller's Division, BFAS/UNDP April 12, 1999.

Table 3. Government in-kind contributions
(Thousands of US dollars)

Region/Country Office	1997	1998
AFRICA		
Benin	34.3	32.8
Burundi	60.6	65.2
Central African Republic	50.8	48.6
Comoros	0.0	18.6
Congo	0.0	90.0
Congo, Democratic Republic of the	87.8	0.0
Côte d'Ivoire	85.9	82.2
Equatorial Guinea	15.7	15.0
Gambia	18.4	17.8
Ghana	204.6	175.8
Lesotho	0.0	78.3
Malawi	40.5	25.2
Niger	75.7	72.4
Nigeria	83.3	83.3
Seychelles	8.2	8.0
Sierre Leone	54.2	54.2
South Africa	70.0 *	70.0 *
Togo	127.9	122.3
United Republic of Tanzania	175.4	175.4
Total Africa region	**1,193.3**	**1,235.1**
ARAB STATES		
Algeria	42.1	42.1
Bahrain	67.0	67.0
Kuwait	59.0	58.6
Lebanon	0.0	424.0
Libyan Arab Jamahiriya	139.7	135.5
Qatar	67.3	67.3
Saudi Arabia	280.1	280.1
Sudan	44.8	44.8
Tunisia	71.5	76.6
United Arab Emirates	106.5	106.7
Total Arab States region	**878.0**	**1,302.7**
ASIA and the PACIFIC		
Bhutan	8.9	8.0
India	0.0	320.0
Indonesia	354.9	155.8
Iran, Islamic Republic of	447.4	0.0
Lao People's Democratic Republic	0.0	32.1
Malaysia	32.1	101.3
Maldives	121.5	0.0
Philippines	185.8	190.7
Sri Lanka	113.1	105.0
Vietnam	131.4	117.1
Total Asia and the Pacific region	**1,395.1**	**1,030.0**

Table 3 (continued)
(Thousands of US dollars)

Region/Country Office	1997	1998
LATIN AMERICA AND THE CARIBBEAN		
Barbados	96.7	96.7
Chile	339.2	316.6
Cuba	84.5	93.0
Dominican Republic	183.3	227.0
Guyana	69.6	67.2
Jamaica	53.8	51.8
Panama	40.0	40.0
Paraguay	50.0	39.8
Uruguay	10.5	40.0
Total Latin America and the Caribbean region	**927.6**	**972.1**
EUROPE AND THE COMMONWEALTH OF INDEPENDENT STATES		
Albania	71.6	63.7
Armenia	41.0	45.1
Azerbaijan	72.6	72.6
Belarus	191.8	185.1
Bulgaria	64.8	68.4
Cyprus	55.2	52.4
Estonia	9.9	9.9
Georgia	43.3	178.0
Kazakhstan	0.0	529.1
Kyrgyzstan	59.4	65.3
Latvia	96.0	105.6
Lithuania	41.0	45.1
Poland	232.2	232.2
Republic of Moldova	118.5	118.5
Romania	70.3	70.3
Tajikistan	0.0	15.0
Turkmenistan	135.6	135.6
Ukraine	274.2	301.6
Uzbekistan	0.0	219.5
Total EUROPE and the CIS region	**1,577.4**	**2,513.0**
GRAND TOTAL	**5,971.4**	**7,052.9**

* Amounts reflect initial estimates for South Africa's "in-kind" contributions which had not been registered but will be considered for 1999 GLOC calculations.

Source: Based on information provided by country offices to Office of Budget, BPRM/UNDP

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April 12, 1999